



222 2nd Street SE
Wadena, MN 56482

Regular City Council Minutes Tuesday, January 9, 2024

Pledge of Allegiance

Roll Call

Comprising a quorum of the City Council, the meeting was called to order at 5:00 pm with the following members present: Mayor George Deiss, Council Members Jessie Gibbs, Mark Lunde, Wade Miller, and Dan Sartell.

Consent Calendar:

Claims Presented for Payment

City Administrator's Monthly Financial Report

City Council Meeting Minutes:

- December 12, 2023, Regular Meeting
- December 27, 2023, Special Meeting
- January 2, 2024, Special Meeting

Resolution 2024-02: Designating the Wadena Pioneer Journal as the Official Newspaper

Resolution 2024-03: Setting the Date and Time for 2024 Regular City Council Meetings

Resolution 2024-04: Mayor Appointing Council Member Wade Miller as Acting Mayor

Resolution 2024-05: Designating 2024 Official Depositories for City Funds

Resolution 2024-06: Designating Skoog Law as 2024 Civil Legal Counsel

Resolution 2024-08: Designating Jeffrey D. Peterson and Jaclyn J. Ziemke as 2024 Criminal Legal Counsel

Resolution 2024-09: Designating City Representative with Missouri River Energy Service

Resolution 2024-10: Designating City Representative with Western MN Power Agency

Action Motion: Approved the consent calendar items.

Moved by:	Sartell	Seconded by:	Lunde
Roll call vote:	Deiss, Gibbs, Lunde Miller, Sartell		

Public Hearings:

Highway 10 Underground Utilities Improvement Project Assessments

Before the public hearing opened City Engineer Phil Martin provided background information regarding the need to update underground water and sewer utilities due to aged infrastructure, inefficient collections, water lines with potential lead, and sewer infrastructure at shallow depths not meeting MPCA requirements. At its December regular meeting Bolton & Menk developed three utility improvement options with the city choosing option one. This option re-routes sewer infrastructure northwest along 9th Street with gravity flow to Greenwood Ave, eliminating the need for a lift station. Water and sewer infrastructure along Highway 10 from the County Fairgrounds to 11th Street would be placed outside of MnDOT right-of-way (ROW) requiring negotiations with private property owners for easement needs and eliminate infrastructure in MnDOT ROW. This allows the city to conceivably bid the project separate from MnDOT project specs and cost participation regulations along with the ability to update or repair underground utilities without MnDOT permitting and regulations in the future.

The city has not secured funding sources to offset utility assessments like it had in the first phase of the Highway 10 project. Option three total cost estimate is \$3,264,000 with the city portion at \$2,499,950 and cost to affected property owners estimated at \$764,050.

The city received \$5,000,000 in the first phase for underground utility environmental cleanup purposes. There is approximately \$2,100,000 remaining. The city is working to get language changed on the legislative bill to allow the remaining dollars to be used for the remaining Highway 10 corridor and area.

The city will also apply for Public Facilities Authority (PFA) funding if available. The state legislation will have to decide to fund PFA in the upcoming session. It was encouraged for individuals and property owners to reach out to the legislature to fund PFA. It was also noted that the city must meet certain requirements in order to receive any funds but will definitely apply if eligible.

The public hearing opened at 5:31 p.m.

Brian Hagen, owner of 706 Ash St (Hwy 10), asked if this was an opportunity to reduce the number of water line hookups currently at his place. Utility Superintendent Dave Evans didn't see any issues as long as the property is one parcel and one building. Hagen then went on to share concerns that the city didn't provide assessment information until now.

Jason Merickel, owner of multiple properties along Ash St (Hwy 10) and 9th Street, shared concerns of being assessed approx. \$300,000 of the \$764,050 and didn't think it was fair. He also shared concern that city communication about the projects and assessments is lacking. That they didn't know they were going to be assessed.

It was also noted that the assessment letters that went to affected property owners stated payments for assessments would be due January 2024. The city assured property owners that was a typo in error and apologized.

Joe Miller, 9th Street, shared concerns his property only has a shed with no intentions of ever building. Opposing the assessment and need for water and sewer hookups.

Council member Gibbs noted that in a worst-case scenario if the city chose not to replace the underground infrastructure in conjunction with MnDOT that future infrastructure and hookup costs could be substantially more if or when they fail.

Public Works Director Dan Kovar noted the city isn't looking to add services. 3rd Street is shallow and there's a need to place the sewer main deeper making 9th Street the viable option with a six-foot elevation opportunity to connect to the main at Greenwood Ave.

Wendy Lane, Ash Street (Hwy 10), shared concerns of the high assessment values and affect on fixed income property owners.

During the meeting city representatives informed the public that the purpose of the public hearing is to notify residents of potential and estimated assessments for municipal underground utility replacement in conjunction with the project. The city cannot deliver proposed assessment or project cost information to affected property owners until the council orders engineers [Bolten and Menk] to create cost estimates, which was done at its December 2023 council meeting.

Action Motion: Approved closing the public hearing at 5:53 p.m.

Moved by:	Miller	Seconded by:	Lunde
Vote:	Deiss, Gibbs, Lunde, Miller, Sartell		

Old Business: None.

New Business:

Resolution 2024-01: Designating Board/Committee Appointments and Assignments

Personnel Committee: George Deiss, Mark Lunde, Kim Schroeder, Dave Evans

Business Subsidy/Tax Abatement/TIF Committee: Jessie Gibbs, Dan Sartell

Continued Community Education: Jessie Gibbs
Convention Visitors Bureau (CVB) Board: Mark Lunde, Wade Miller
Fix Up Loan Committee: Dan Sartell
Housing Redevelopment Board: Mark Lunde
Library Board: George Deiss
Kitchigami Regional Library Board: George Deiss, Dan Sartell (alternate)
Memorial Auditorium Committee: Mark Lunde, Dan Sartell
Park Advisory Board: Wade Miller
Planning Commission: Dan Sartell
Wadena Development Authority Board (WDA): George Deiss, Wade Miller

Action Motion: Approved Resolution 2024-01 as presented.

Moved by:	Gibbs	Seconded by:	Lunde
Roll call vote:	Deiss, Gibbs, Lunde, Miller, Sartell		

Resolution 2024-07: Authorizing to Order the Highway 10 Project Underground Utilities Improvements and Directing Preparation of Final Plans and Specifications

Action Motion: Approved Resolution 2024-07 as presented.

Moved by:	Lunde	Seconded by:	Gibbs
Roll call vote:	Deiss, Gibbs, Lunde, Miller, Sartell		

Resolution 2024-11: Authorizing the Issuance and Sale by the City of Revenue Bonds on Behalf of Astera Health; Authorizing Execution of a Bond Indenture, A Loan Agreement, and a Bond Purchase Agreement, All Relating to Such Bonds; and Authorizing Other Action to be Taken with Respect to the Issuance, Sale and Delivery of Such Bonds

Action Motion: Approved Resolution 2024-11 as presented.

Moved by:	Miller	Seconded by:	Gibbs
Roll call vote:	Deiss, Gibbs, Lunde, Miller, Sartell		

Action 24-03: Astera Cancer Center Loan Agreement, Bond Indenture, Bond Purchase Agreement

Action Motion: Approved Astera cancer center agreements and indenture as presented.

Moved by:	Lunde	Seconded by:	Miller
Vote:	Deiss, Gibbs, Lunde, Miller, Sartell		

Action 24-04: Bolton & Menk, Professional Services Proposal, Hwy 10 Underground Utilities Improvements Final Plans and Specifications

City engineer Phil Martin relayed that the project is under MnDOT's authority, however, the city is responsible for all costs up front with agreements that MnDOT will reimburse at 100%.

The city will decide at a future date if the 9th Street underground utility portion will be in conjunction with MnDOT or a stand-alone city project. If it's decided to bid along with the Hwy 10 project the city will be subject to state prevailing wages compared to bidding the project under city guidelines conceivably at a savings.

The city is also responsible for all cost-participation expenses with hopes for MnDOT grant or funding opportunity reimbursements (as indicated during the public hearing).

Action Motion: Approved Bolten & Menk professional services for Hwy 10 underground utilities Improvements final plans and specifications for \$165,370.

Moved by:	Lunde	Seconded by:	Sartell
Vote:	Deiss, Gibbs, Lunde, Miller, Sartell		

Action 24-05: Minnesota Peace Officer Education and Training Program

This option could allow the department to obtain a candidate able to attend the condensed six-month program at Alexandria Technical College and work for Wadena after passing the POST test and if a full-time position is available. If Wadena is selected for the opportunity, it doesn't obligate or commit the city financially and the city can still decline.

Action Motion: Approved submission of the Intensive Comprehensive Peace Officer Education and Training grant.

Moved by:	Gibbs	Seconded by:	Miller
Vote:	Deiss, Gibbs, Lunde, Miller, Sartell		

Action 24-06: Fire Department, Resignation, Appointments, Hire, Reserve Firefighter

Matt Rousslang resigned as first assistant effective 12/31/23. He remains as a firefighter.

Andrew Browne resigned from the fire department effective 1/1/24 and was approved to remain in the department as a reserve firefighter.

Jeremy Zaic is approved as Secretary.

Approved hiring Arthur Thew from the hiring list.

Action Motion: Approved resignation, appointments, hire, and reserve firefighter.

Moved by:	Sartell	Seconded by:	Lunde
Vote:	Deiss, Gibbs, Lunde, Miller, Sartell		

Meeting Open to the Public: 5:45 pm, no one in attendance for this portion.

Department Reports:

Public Works Department – Dan Kovar

- With continuation of a limited snow winter the department has continued tree trimming with not much else to report.

Utilities Department - Superintendent David Evans

- An EV fast charging station is still being discussed with the company that wants to get one to Wadena. The city's gap funding request of an estimated \$40,000 is too large with Evans not interested in that type of investment and no potential for marginal returns. Additionally, the city would have to develop and approve a new rate. The company is changing its focus to a private property location.

Wadena Development Authority and Planning & Zoning – Dean Uselman

- Not present. Mayor Deiss informed the council that in Uselman's absence a WDA meeting wasn't held in December. There are a couple items with a meeting planned for January.

Police Department – Naomi Plautz

- Not present.

Fire Department – Cody Yglesias

- Not present.

Wadena Liquor Store – Tim Booth

- End of year unaudited gross revenues reached \$3,092,700, higher than previous years with an impressive 220,770 products scans for the year.

Maslowski Wellness and Research Center – Lisa Anderson

- A local group of individuals created and established a 501c3 Friends of the Maslowski status to help support ongoing capital outlay needs. One official meeting has been held since establishment with a lot of positive momentum.

Whitetail Run Golf Course – Kevin Ross

- Not present.

City Administrator – Kim Schroeder

- Requested that council members assist with positive proactive approaches to the continued community dialogue at council meetings that the city and staff are not providing enough information or doing enough when it comes to city items (specifically upcoming Hwy projects). Urging the council to make suggestions instead of waiting to disclose or discuss at the open public meetings when they hear from constituents or the public. City staff works hard to share and notify, often more than is required, however, it's not possible to please everyone, every time. Staff have multiple other items to tend to and cannot think of everything.

Council Reports:

Dan Sartell:

- Provided information to the council that city staff plans to use general fund reserves to pay a 2024 \$51,388 Astera bond payment . Schroeder explained that the amount was overlooked on the preliminary budget period. Unfortunately, the levy can only increase for specific reasons, this not one as eligible. The administrator informed council members after a recent special meeting that reserve funds would be utilized to cover the payment until it is able to be collected in the following budget year. Sartell shared his concerns that reserves can be used without council discussion or knowledge and wanted it on record that the oversight occurred, and reserves are being used. Mayor Deiss suggested to the council that instead of using reserves the plan is to draw down additional Library IF Foundation funds for the library bond payment, freeing up levied bond payment dollars to make the Astera bond payment. No one was opposed and understood the situation.

Wade Miller: Nothing to report.

Mark Lunde: The airport commission has been meeting and came up with a list of items to address. Lunde will bring to a future council meeting for knowledge and review.

Jessie Gibbs: Reported the Shop for a Hero event went well and felt it was the best one to date.

Mayor's Report:

George Deiss:

- The city will host its annual Holiday (Christmas) gathering and acknowledge employees with years of service on January 15 from 5:00-9:00 pm. Mayor Deiss and his wife have donated the brewery rental cost.
- Clarified misinformation regarding a local business forced to remove its chairs due to local city taxation. The business chose to remove the chairs as it pays less tax to the state if there's no seating and has nothing to do with the City of Wadena and its permitting process.

- Shared he's received winter parking violation complaints. Naomi reported violations have decreased this season. Members of the council went on to share their appreciation of the ordinance and how it helps the public works department with snow removal, saving taxpayers employee wage time and expenses.

Upcoming Meetings:

February 13, 2024, Regular City Council Meeting

Adjournment

Action Motion: Unanimously adjourned at 6:39 p.m.

Moved by: Lunde

Seconded by: Miller

Vote : Deiss, Gibbs, Lunde, Miller, Sartell

Kim Schroeder, City Administrator

George Deiss, Mayor